



**Democratic Socialist Republic
of Sri Lanka**

Sri Lanka Development Bonds



04 September June 2018

**Public Debt Department
Central Bank of Sri Lanka**

SRI LANKA DEVELOPMENT BONDS

The Sri Lanka Development Bonds (SLDBs) are a debt instrument denominated in US Dollars issued by the Government of Sri Lanka in terms of the Foreign Loans Act, No.29 of 1957.

Repayment is guaranteed by the Government of Sri Lanka.

Eligibility

The following categories of investors are eligible to purchase SLDBs.

- (a) Authorised Dealers appointed by the Central Bank of Sri Lanka under the Sections 4(1)(a) and 4(1)(b) of the Foreign Exchange Act, No.12 of 2017;
- (b) Primary Dealers appointed by the Central Bank of Sri Lanka under the Registered Stock and Securities Ordinance, No.7 of 1937 and the Local Treasury Bills Ordinance, No.8 of 1923;
- (c) Citizens of foreign states whether resident in Sri Lanka or outside Sri Lanka;
- (d) Any person (natural or legal person including partnerships) in, or resident in, Sri Lanka who - (i) holds foreign exchange in a bank account in Sri Lanka or outside Sri Lanka; or (ii) owns any foreign asset;
- (e) Citizens of Sri Lanka who have obtained Permanent Residency Visa in another country and residing outside Sri Lanka;
- (f) Citizens of Sri Lanka who have proceeded outside Sri Lanka to take up employment or to set up in business or to engage in a profession;
- (g) Citizens of Sri Lanka who have dual citizenship provided such individuals are residing outside Sri Lanka;

- (h) Bodies corporated or unincorporated under the laws of a country other than Sri Lanka;
- (i) Companies which have entered into agreements in terms of Section 17 of the Board of Investment of Sri Lanka Act, No.4 of 1978 with full exemption from the provisions of the repealed Exchange Control Act provided that all purchases of SLDBs are made against debits to foreign currency accounts maintained only for the purpose of crediting earnings from exports of such companies.
- (j) Companies registered to carry on insurance business in Sri Lanka under the provisions of the Regulation of Insurance Industry Act, No.43 of 2000 provided that all purchases of SLDBs are made against debits to Special Foreign Currency Accounts maintained with Authorised Dealers by such Insurance Companies in terms of the approval granted under the provisions of the repealed Exchange Control Act, No. 24 of 1953.
- (k) Holders of Personal Foreign Currency Accounts and Business Foreign Currency Accounts.
- (l) Licensed Specialised Banks and Licensed Finance Companies which have been permitted to accept deposits in foreign currency.

The SLDBs are not sold in the USA or to persons residing in the USA.

Salient Features of SLDBs

Maturity Period

The maturity periods of the SLDBs are one (1) year eight (8) months, three (3) years eight (8) months and four (4) years eight (8) months.

Denominations

These bonds are denominated in US Dollars. The minimum investment at the auction shall be US Dollars 10,000. Denominations are available in multiples of US Dollars 10,000. In the secondary market the minimum investment shall be US Dollars 10,000.

Interest Payments & Principal Repayment

Interest is paid to the holders in every six (6) months from the date of issue. Calculation of interest payments will be based on a fixed margin determined through competitive bidding at the auction.

- All maturities are offered on fixed rate arrangement.

Principal repayment is made at the end of the maturity period.

Principal and interest on SLDBs are fully repatriable.

Paying Agent

Bank of Ceylon, Colombo, Sri Lanka is the Paying Agent appointed by the Superintendent of Public Debt (SPD) to make payment of interest and repayment of principal to the holders of SLDBs.

Transfer

The SLDBs are transferable by endorsement, delivery and registration on an application made to the SPD. Application forms for transfers can be obtained through Designated Agents.

Joint Holders

SLDBs may be held jointly by two holders. Repayment of principal and payments of interest are made to the person whose name appears first on the SLDB and to the surviving holder whose name appears next on the SLDB in the event of death of the first holder.

Designated Agents

Name	Telephone
Acuity Securities Ltd.	94-11-2206292
Axis Bank Ltd.	94-11-2577723
Bank of Ceylon	94-11-2395813
Capital Alliance Ltd.	94-11-2317702
Cargills Bank Ltd.	94-11-7640262
Citi Bank N.A.	94-11-4794767
Commercial Bank of Ceylon PLC	94-11-2486334
Deutsche Bank AG	94-11-4791253
DFCC Bank PLC	94-11-2442780
First Capital Treasuries PLC.	94-11-2639815
Hatton National Bank PLC	94-11-2664843
Indian Bank	94-11-2323402
Indian Overseas Bank	94-11-5324421
MCB Bank Ltd.	94-11-5222234
National Development Bank PLC	94-11-2446994
Nations Trust Bank PLC	94-11-4313119
Nat Wealth Securities Ltd.	94-11-4703012
NSB Fund Management Co. Ltd.	94-11-2425010
Pan Asia Banking Corporation PLC	94-11-4667502
People's Bank	94-11-2206782
Public Bank Berhad	94-11-2576289
Sampath Bank PLC.....	94-11-2300147
Seylan Bank PLC	94-11-2456325
Standard Chartered Bank	94-11-2480045
State Bank of India	94-11-4446816
The Hongkong & Shanghai Banking Corporation Ltd.	94-11-4451233
Union Bank of Colombo PLC.....	94-11-2374100
WealthTrust Securities Ltd.....	94-11-2675095

Nominee & Custodian

A holder can nominate a nominee as an alternative holder of the Bond in the event of a death of both Registered Holder and the Joint Holder.

A holder can appoint a custodian with the approval of the SPD to hold SLDBs on behalf of the holder.

Tax Treatment

Subject to the applicable tax laws in Sri Lanka.

Collecting Interest and Maturity Proceeds

An investor can make arrangements to collect interest payments and principal repayments in a manner flexible to him/her by a US Dollar cheque drawn in his/her favour or to a US Dollar account in accordance with his/her duly intimated instructions.

Information

The investors can obtain further information on SLDBs from the SPD or from Designated Agents.

Central Bank of Sri Lanka

No.30, Janadhipathi Mawatha,
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